As a measure to penalize non-achievement of targets under priority sector lending which includes lending to agriculture and weaker sections, the RBI has advised domestic scheduled commercial banks that shortfall in lending to priority sector targets and/or agriculture target shall be allocated for contribution to the Rural Infrastructure Development Fund (RIDF).

In addition, the RBI in its Annual Policy Statement for 2008-09 has announced that the shortfall in lending to weaker sections would also be taken into account for contribution to RIDF *w.e.f.* April 2009.

Rise in price of cement and steel

4200. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that prices of steel, cement, etc. has risen sharply after presentation of budget this year despite Government's announcement for reduction in custom and Central excise duty;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps taken by Government to check the price rise of such basic building blocks of the economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Year on year per cent increase in the prices of cement and iron and steel products measured in terms of Wholesale Price Index are indicated below:

Week end date	Cement	Iron & Steel
March 1, 2008	5.13	8.69
March, 8, 2008	5.13	20.87
March, 15, 2008	4.49	26.86
March, 22, 2008	5.13	27.47
March 29, 2008	5.13	34.20
April 5, 2008	4.49	34.15
April 12, 2008	4.49	34.15
April 19, 2008	4.54	35.19

Both cement and steel are deregulated sectors, where market prices are dependant upon the interplay of market forces including demand and supply situations. Besides closely monitoring the prices of steel and cement, Government has taken the following measures to moderate the increase in steel prices.

(i) Import duty on all non-alloy steel and melting scrap has been brought down from 5% to Nil.

(ii) The import duty on raw material imports such as zinc, ferro-alloys and metallurgical coke has been brought down from 5% to Nil.

(iii) DEPB benefits on export of various categories of steel products have been withdrawn *w.e.f.* 27.03.2008

(iv) General CENVAT rate has also been reduced from 16% to 14%